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May 18, 2007

VIA E-FILE

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Petition of the Office of Regulatory Staff for a Rule-Making Proceeding to Examine the Requirements and Standards to Be Used by the Commission When Evaluating Applications for Eligible Telecommunications Carrier (ETC) Status and When Making Annual Certification of ETC Compliance to the Federal Communications Commission
Docket No. 2006-37-C
Request for expedited review due to pending FCC action

Dear Mr. Terreni:

The purpose of this letter is to notify the Commission that the Federal Joint Board on Universal Service has recommended to the Federal Communications Commission ("FCC") that a cap be imposed on the disbursement of federal universal service funds to competitive eligible telecommunications carriers ("CETCs").¹ The Office of Regulatory Staff has confirmed through conversations with staff of the Joint Board that, if the Joint Board's recommendation is adopted by the FCC without change, South Carolina would not be eligible for any federal universal service funding to CETCs because no CETCs were designated and received support in 2006. ORS requests that the Commission proceed expeditiously and review any wireless CETC applications as soon as possible.

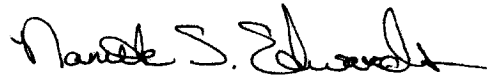
Although ORS requested that the Commission hold in abeyance Budget Phone, Inc.'s ETC application while it established ETC designation guidelines for wireline carriers in non-rural areas, ORS did not request that the Commission hold in abeyance any pending wireless CETC applications.

¹ *Federal-State Joint Board on Universal Service Seeks Comment on Long Term Comprehensive High-Cost Universal Service Reform*, CC Docket No. 96-45, WC Docket No. 05-337 (released May 1, 2007), establishing deadline of May 31, 2007 for filing comments. Reply comments are due July 2, 2007. ORS intends to file comments with the FCC opposing the Joint Board's cap proposal.

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Please let me know if you have any questions or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Nanette S. Edwards". The signature is fluid and cursive, with a long horizontal stroke at the end.

Nanette S. Edwards

cc: Parties of record